

Pedro C. Navarro Acevedo, MAI

Certified General Real Estate Appraiser

Real Estate Appraisal and Consulting Solutions



RESTRICTED APPRAISAL REPORT

COMMERCIAL PROPERTY (CADASTRAL PIN NO. 377-054-145-02)
SOUTHEAST QUADRANT OF INTERSECTION
OF ROADS PR-901 AND PR-9914,
JUAN MARTÍN AND CAMINO NUEVO WARDS,
YABUCOA, PUERTO RICO

PREPARED

For:	Hector Noel Ramos Dávila HC-#5 Box 5774 Yabucoa, P.R. 00767-5774
By:	Pedro C. Navarro Acevedo, MAI Certified General Real Estate Appraiser
Effective Date of Appraisal:	May 10, 2021
Date of Report:	June 14, 2021

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June 14, 2021

Mr. Héctor Noel Ramos Dávila
HC-#5 Box 5774
Yabucoa, P.R. 00767-5774

**Re: Commercial Property (Cadastral Pin No. 377-054-145-02)
Southeast Quadrant of intersection of Roads PR-901 and PR-9914,
Juan Martín and Camino Nuevo Wards, Yabucoa, Puerto Rico**

Dear Mr. Ramos,

In accordance with your request, I have prepared an appraisal of the above-referenced subject property which is a 9,169.8461 square meter corner site outside the Yabucoa zoning limits and within an Urban Soil land classification according to the data obtained through websites of the Municipal Tax Collection Agency (CRIM by its Spanish Acronym) and the Puerto Rico Planning Board.

The subject is improved with two (2) separate structures, one located at the center of the property is a 1-story and approximately 90' by 90' (8,100 square foot) building of concrete frame and cement block construction with an approximately 416 square foot covered driveway in front; and the other located at the front northwest section of the property is a 1-story structure of mixed concrete and wood construction with approximately 1,242 square feet of gross building area with an attached finished slab of approximately 46 by 53 feet. The structure at the center of the property is presently awaiting inspection for a use permit request to OGPE (2021-357794-PU-067581) for its operation as a funerary. The structure at the front of the property was operating as a restaurant facility at the time of inspection.

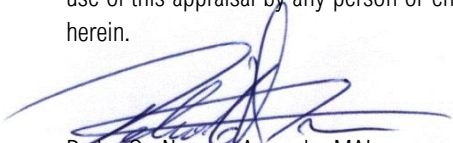
The type of value reported in this appraisal is *Market Value*, as defined in this appraisal report. The purpose of this appraisal is to develop my opinion of the market value of the fee simple interest in the real estate as of a current date. The intended use of this appraisal is to assist you as my client in decision-making processes regarding the subject property. The intended users of this appraisal are yourself and Counsel Mr. Rafael A. Gonzalez Valiente.

Based on the analyses developed, the market value opinion of the subject property is concluded to be:

◆ Market Value – Fee Simple Interest	\$ 790,000
As of April 7, 2021	Seven Hundred Ninety Thousand Dollars

The analyses and conclusions developed in this appraisal are based on market conditions existing as of April 7, 2021 which is the effective date of value. No responsibility is assumed for unforeseen changes in the market conditions specified. In addition, this appraisal is based on the assumptions, limiting conditions, definitions and certifications presented in this report of which this letter of transmittal forms an integral and inseparable part.

Possession of this appraisal report, or a copy thereof, does not carry with it the right of publication. I accept no responsibility for the use of this appraisal by any person or entity other than the client and identified intended users, or for any other use than that stated herein.


Pedro C. Navarro Acevedo, MAI
Certified General Real Estate Appraiser
Certificate No. 270 CG
PR License No. 1151 EPA

COMMERCIAL PROPERTY (CADASTRAL PIN No. 377-054-143-02)

SOUTHEAST QUADRANT OF INTERSECTION OF ROADS PR-901 AND PR-9914, JUAN MARTÍN AND CAMINO NUEVO WARDS, YABUCOA, PUERTO RICO
APPRAISAL REPORT DATE – JUNE 14, 2021

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Typical View of Structure in center from PR-901



Typical View of Structure in front from PR-901



Front view of main building



Rear view of main building



Typical interior view of main building



Typical interior view of main building



Typical exterior view of secondary structure



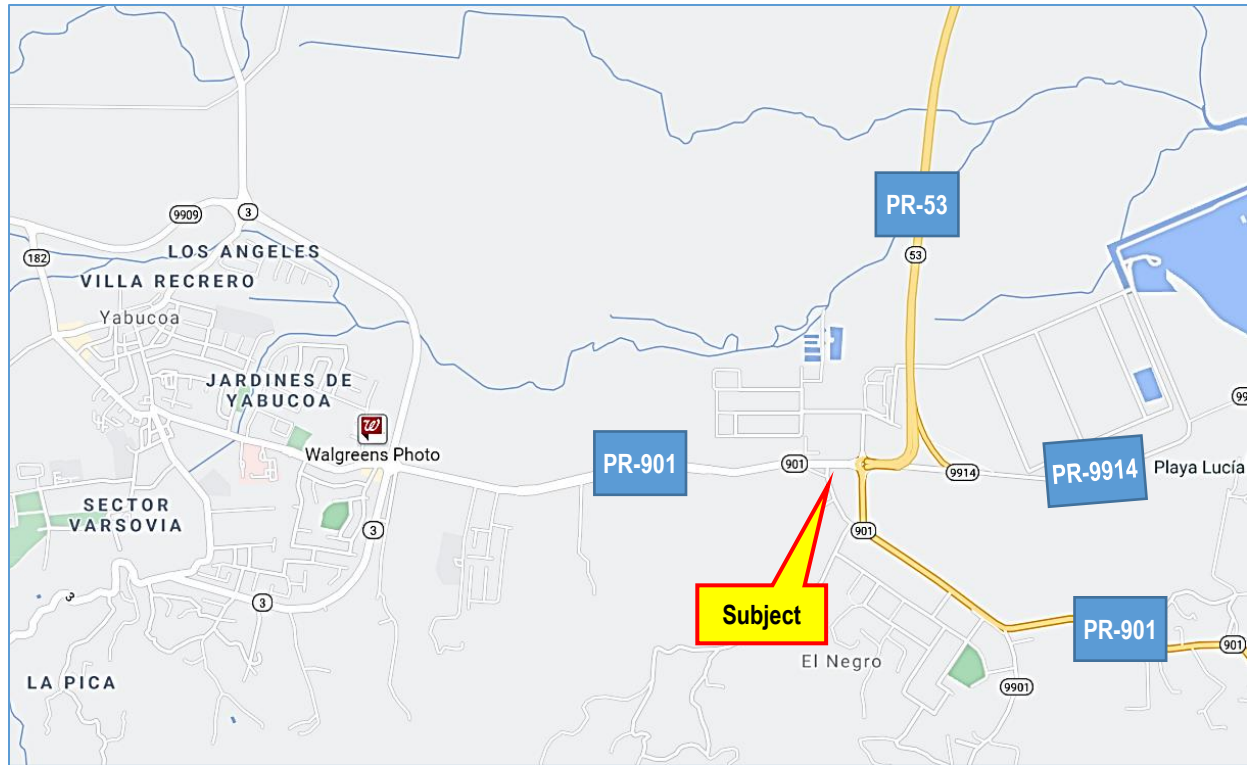
Typical interior view of secondary structure

COMMERCIAL PROPERTY (CADASTRAL PIN No. 377-054-143-02)

SOUTHEAST QUADRANT OF INTERSECTION OF ROADS PR-901 AND PR-9914, JUAN MARTÍN AND CAMINO NUEVO WARDS, YABUCOA, PUERTO RICO

APPRAISAL REPORT DATE – JUNE 14, 2021

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Statement of Appraisal Problem

Client	Hector Noel Ramos Davila
Property Rights Appraised	Fee Simple Estate
Effective Date of Appraisal	May 10, 2021
Date of Report	June 14, 2021
Type of Value Reported	Market Value as defined in this appraisal report.
Intended Use	To assist the client in decision-making processes regarding the subject property.
Intended User of Appraisal	Mr. Hector Noel Ramos Davila and Counsel Mr. Rafael A. Gonzalez Valiente
Location	Southeast Quadrant of intersection of Roads PR-901 and PR-9914, Juan Martín and Camino Nuevo Wards, Yabucoa, Puerto Rico (Coordinates: Latitude: 18.044422°, Longitude -65.851441°).
Subject of the Appraisal	Commercial property
Report Format	Restricted Appraisal Report. This report format is limited to the client and intended user alone and may not be shared with any other third party, as the report do not include supporting rationale for all the opinions and conclusions set forth in the report. All supporting data for the development of the appraisal is held in the appraisal work file to which the client may have access in coordination with the appraiser.

Scope of Work

The property and the neighborhood were inspected to establish the characteristics of the subject (i.e. physical, location, regulatory and economic) and general market trends. The subject is a suburban site outside the urban zoning limits of the municipality of Yabucoa under commercial occupancy operating under what appears to be a multiuse gathering facility as well as a restaurant. The market research showed that these properties are generally profiled for owner occupancy as the most probable buyers are commonly owner/operators.

In the case at hand, the sales comparison was concluded to be the best approach to value to solve the appraisal problem given typical market motivations and the available market data.

This appraisal is developed based on market conditions existing as of May 10, 2021, and no responsibility is assumed for unforeseen changes in this specified market conditions. Furthermore, the appraisal is made subject to the assumptions, limiting conditions, definitions and certifications presented in this report. Finally, I, the appraiser, certify to have the competency to carry out this assignment gained from the knowledge and experience acquired through my appraisal practice over the past 23 years; as well as by having the relevant education and professional credentials to do so.

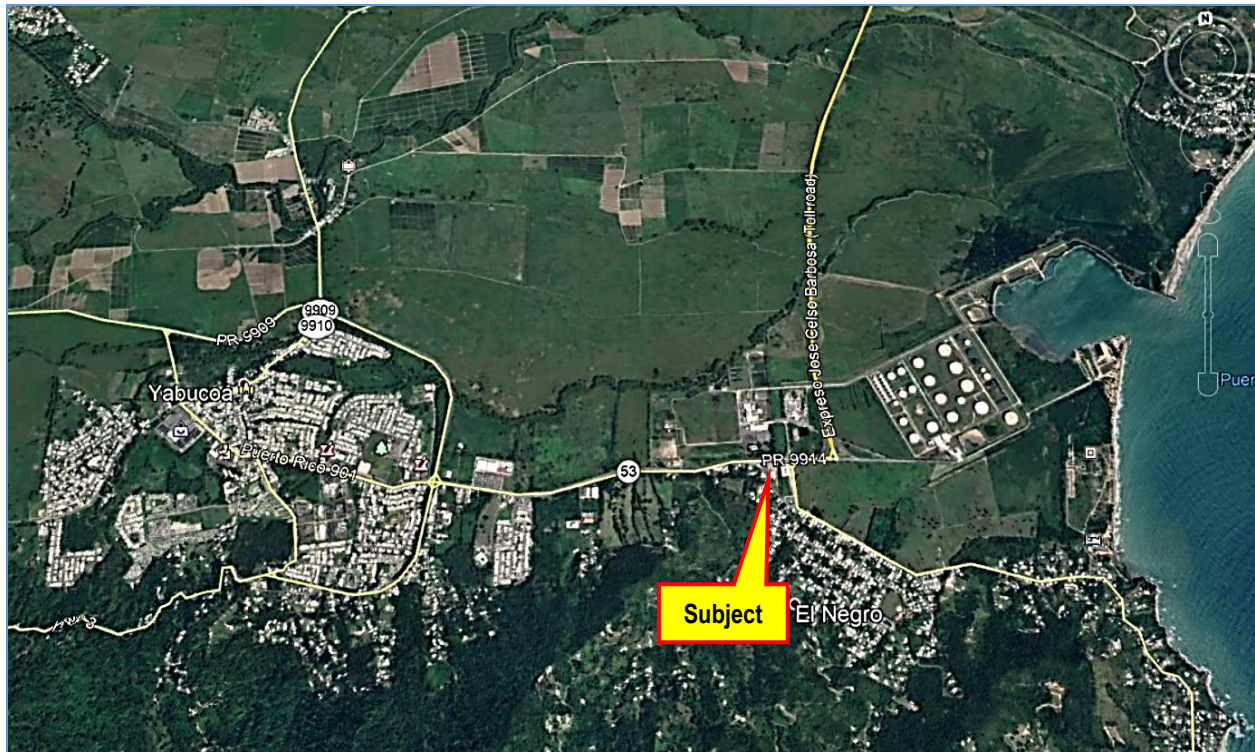
Productivity Analysis

Neighborhood

The subject is located in the periphery of urban zoned area of the municipality of Yabucoa, within a 2-mile radius from its town core, at the main roadway into the neighborhood through Expressway PR-53. The neighborhood is mostly of suburban character with land uses ranging from commercial and industrial districts along main roadways, to low and medium density residential and agricultural at interior locations.

The urban path of growth in the municipality is generally projected along the section of PR-901 between its intersection with PR-53 and PR-3 where the subject is located, as well as along PR-3 around and to the north of the municipality traditional urban area. The following exhibit presents an aerial view of the neighborhood.

Urban land values in the neighborhood are generally in the range of \$10 and \$50 per square meter with land with commercial development potential generally standing along, and sometimes above, the high-end of the range. In fact, a vacant site next to Walgreens at PR-901 was purchased by AutoZone in 2017 for \$216 per square meter. In respect to improved properties, the market research produced eight (8) transactions of commercial properties between January 2017 and thus far 2021 with dollar sales prices ranging between \$45,000 and \$460,000 and reflecting unitary prices in the range of \$20 to \$150 per square feet of building area. The unitary of five transactions clustered between \$23 and \$43 per square feet, one transaction facility interior of PR-901 and across the street of Walgreens reflected a unitary of \$95/sf, and two transactions of good conditioned spaces reflected unitary prices of \$140 and \$148 per square foot.



Subject

The subject is a 9,169.8461 square meter corner site outside the Yabucoa zoning limits and within an Urban Soil land classification according to the data obtained through the websites of the Municipal Tax Collection Agency (CRIM by its Spanish Acronym) and the Puerto Rico Planning Board. The subject is identified to be within a low-risk (Zone X) flood prone area as per FEMA flood insurance map No. 72000C-1815J. The site has a level topography with basically a triangular shape and approximately 220 linear feet of frontage to PR-901 at its north property line, and 650 linear feet of frontage to PR-901 at its west property line. The average daily traffic at this section is in excess of 20,000 vehicles.

The site is improved with two (2) separate structures, one located at the center of the property is a 1-story and approximately 90' by 90' (8,100 square foot) building of concrete frame and cement block construction with an approximately 416 square foot covered driveway in front; and the other located at the front northwest section of the property is a 1-story structure of mixed concrete and wood construction with approximately 1,242 square feet of gross building area with an attached finished slab of approximately 46 by 53 feet. The structure at the center of the property is presently awaiting inspection for a use permit request to OGPE (2021-357794-PU-067581) for its operation as a funerary. The structure at the front of the property was operating as a restaurant facility at the time of inspection.

Site improvements included perimeter cyclone fencing along property lines, asphalted surface parking and vehicle maneuvering areas, and utilities connections.

The main building improvements were in overall average condition reflecting normal wear and tear as expected under their existing use; with the restaurant structure being of lower quality and projecting less appeal. Site improvements reflected considerable wear and tear and showed to be fully depreciated.

Excess Land Consideration

The footprint of the improvements on the site reflects a lot occupancy ratio (LOR) of 12% which is considerably low. The topography of the site as well as its corner site and frontage attributes permit a higher development density on the property. Finally, the layout of the building improvements would permit separate developments on the site; thus, creating excess land conditions on the property.

The improvements layout on the site positions the excess land component behind the central building at the rear of the property with frontage to PR-901. As compared to market parameters, minimum adequate LOR's for the existing improvements would be in the range of 30% to 40%. However, based on the existing layout, the excess land component is estimated to be in the range of 2,000 and 2,500 square metres from which a mid-point of 2,250 square meters will be estimated, and resulting in an LOR for the main site of 16%.

History of the Property

No information was provided as to the subject ownership. According to the information obtained through the webpage of the CRIM, it appears the subject has remained under the present ownership for over the 3-year period immediately preceding the effective date of this appraisal. No information was obtained by nor provided to the appraiser indicating the subject is presently for sale or under any type of sales negotiations.

Highest and Best Use Analysis

As Though Vacant

The regulatory attributes of the subject would allow its development for urban purposes under an array of uses to be considered through consultation with the Office of Permit Management (OGPE by its Spanish acronym). Based on its physical and location attributes, the most likely use would be in line with either commercial, service, or institutional. In terms of financially feasible, the development of the subject for urban purposes as described above could be a realistic outcome under owner user scenarios; thus, resulting in the maximally productive use of the site. Therefore, it is the concluded highest and best use of the property "as though vacant" to be developed for urban purposes under either commercial, service, or institutional uses.

As Improved

The improvements on the subject are in line with the uses found along properties fronting PR-901. These are presently under commercial use with the structure fronting PR-901 operating as a restaurant, and the building in the center of the site currently awaiting inspection for a use permit request to OGPE (2021-357794-PU-067581) for its operation as a funerary. These appear functional for their present and intended uses. Moreover, these are financially feasible, as the market value of the property as presently improved is greater than the value of the underlying land plus any cost for demolition and site redevelopment. However, for the property to reach its optimum functionality, the rear excess land component should be developed in line with the HABU of the property as though vacant. Finally, the existing and intended uses align with the highest and best use of the site "as though vacant". Therefore, taking all things into account, the current and intended use of the subject results in the maximally productive use of the property. Based on this, the HABU of the subject is to remain under the present commercial and service uses, and to develop the rear excess land component in line with the HABU of the site "as though vacant".

Sales Comparison Approach

The Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th edition (Chicago: Appraisal Institute, 2015) defines sales comparison approach as “a comparative approach to value that considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. In general, a property being valued (a subject property) is compared with sales of similar properties that have been transacted in the open market. Listings and offerings may also be considered.”

An alternative definition is also provided which states that this approach is “the process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.”

Comparable Dataset

The market value of the subject will be estimated based on the value of the subject main site and the value of the excess land component utilizing the applicable comparable market data.

Valuation of Main Site

The market research performed included the investigation of files at the Property Registry of the Puerto Rico Justice Department. This data was used to select the comparable dataset for the development of the sales comparison approach. The dataset is presented on the following page.

Unit of Comparison	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	PR-901, Juan Martín, Yabucoa	PR-901, Km. 3.3, Camino Nuevo, Yabucoa	PR-3, Km. 97.2, Juan Martín, Yabucoa	PR-3, Km. 87.2, Candelero Abajo, Humacao	PR-921, Km. 0.1, Collores, Las Piedras
Cadastral No.	377-054-145-02	377-054-021-06	377-051-097-20/04	329-069-012-25	280-032-084-26
Seller	-	Hector Ruiz Rodriguez	Juan Riefkohl Aliceo	Elisamuel Alvarado Colon	Wanda Gomez Lopez
Buyer	-	Juan Cintron Maldonado	Inmobiliatria RGA Corp.	Eric De León Navarro	Head Start Program...
Market Conditions	April-21	March-18	April-19	July-19	June-20
Sales Price	-	\$319,000	\$460,000	\$160,000	\$240,000
Size (sq. mt.)	6,919.85 *	1,240.55	5,955.84	1,000.00	900.00
Size (sq. ft.)	9,342	2,281	20,005	2,329	3,284
SP/Sq. Mt.	-	\$257	\$77	\$160	\$267
SP/Sq. Ft.	-	\$140	\$23	\$69	\$73
Location Characteristics					
Neighborhood	Suburban	Suburban	Suburban	Suburban	Suburban
Vicinity	Commercial / Service	Residential	Residential/Service	Residential/Service	Residential/Service
Access	Excellent	Good	Good	Average	Average
Exposure to ADT	< 20,000	> 15,000	> 15,000	> 15,000	> 15,000
Physical Characteristics					
Ingress / Egress	Excellent	Average	Average	Average	Average
Frontage/Exposure	Excellent / Good	Average / Average	Average / Poor	Average / Average	Good / Average
Physical Condition	Average	Good	Poor	Fair	Average
Lot Occupancy Ratio	13%	17%	23%	22%	23%

* Site area of subject results from total site less excess land component estimated at 2,250 square meters.

The comparable dataset reflects a range from \$23 to \$140 per square feet of gross building area, with average, median and mi-point figures of \$76, \$71, and \$81, respectively. The table below ranks the subject against the comparable dataset.

ID	Unitary Indication	Comments
Comparable 1	\$140 sf	Smaller size, Superior condition, Similar location with inferior ADT
Comparable 4	\$73 sf	Smaller size, Similar condition, Inferior location
Comparable 3	\$69 sf	Smaller size, Inferior condition, Inferior location
Subject		
Comparable 2	\$23 sf	Larger size, Inferior condition, Similar location with considerable inferior exposure

The unitary of Comparable 1 is concluded to fall above the market value range of the subject; while those of Comps 3 and 4 are concluded to fall within its market value range given that both are smaller than the subject, but at inferior locations and with Comparable 3 with inferior condition. Comparable 2 is larger than the subject and inferior in respect to condition and location attributes; hence, its unitary is concluded to fall below the market value range of the subject.

Based on the comparative analysis developed, the market value of the main site component is estimated to be in the range of \$70 to \$75 per square foot of GBA; thus, rendering a dollar market value range from a rounded \$650,000 to \$700,000 from which a single-point estimate of \$675,000 will be concluded.

Valuation of Excess Land Component

The value of the excess land was estimated based on comparable market data same as with the valuation of the main site component. As previously analyzed and discussed, the component area was estimated at 2,250 square meters located at the rear of the site with a triangular configuration, leveled topography and approximately 290 linear feet of frontage towards PR-901. This section of PR-901 has a lower exposure to ADT after the construction of the new by-pass.

Overall land values in the neighborhood are generally in the range of \$10 and \$50 per square meter with land with commercial development potential generally standing along, and sometimes above, the high-end of the range as earlier discussed on page 5 of this appraisal report. The characteristics of the subject positions it at the high-end of the market range. Therefore, a market value of \$50 per square meter will be concluded, which produces a dollar market value estimate of \$112,500.

Reconciliation and Final Market Value Conclusion

The market value of the subject results from the combined indications of value of the main site component estimated at \$650,000, and of the excess land component estimated at \$112,500; thus, resulting in an overall figure of \$787,500. Based on this, the market value of the subject is estimated at a rounded \$790,000.

◆ Market Value – Fee Simple Interest	\$ 790,000
As of May 10, 2021	Seven Hundred Ninety Thousand Dollars

Based on the concluded market value herein, current market conditions and the performance of the local retail automobile industry in the recent past, we are of the opinion that the subject property could have sold within an exposure time between 9 and less than 18 months.

GENERAL ASSUMPTIONS

This appraisal report has been prepared with the following general assumptions:

1. No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, having responsible ownership and competent management. Unless otherwise stated in the report, all taxes are assumed to be current.
2. The information furnished by others in the development of this appraisal is believed to be reliable, true and correct. However, no warranty is given for its accuracy.
3. The signing appraiser has examined the property described herein exclusively for the purposes of identification and description of the real property. The objective of the data collection is to develop an opinion of the highest and best use of the subject property and make meaningful comparisons in the valuation of the property. The observations and reporting of the subject improvements, or absence thereof, are for the appraisal process and valuation purposes only, and should not be considered as a warranty of any component of the property. This appraisal assumes (unless otherwise specifically stated) that any subject improvements are structurally sound, and that all components are in working condition. Furthermore, it is assumed that there are no hidden or non-apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover any of these conditions.
4. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
5. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless any nonconformity has been stated, defined and considered in the appraisal report.
6. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been, or can be obtained, or renewed for any use on which the value estimate contained in this appraisal is based unless otherwise noted in the appraisal report.
7. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there is no encroachment or trespass unless noted in the appraisal report.
8. The availability of capacity and/or connection rights to any or all public utilities has not been determined by the appraiser. The value estimate reported herein is contingent upon, and limited to, said capacity and right of connection unless otherwise noted in the appraisal report.


GENERAL LIMITING CONDITIONS

1. The appraiser will not be required to give testimony or appear in court because of having made an appraisal of the property in question, unless specific arrangements to do so have been made in advance, or as otherwise required by law.
2. The appraiser will not disclose the contents of this appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and/or applicable federal, state or local laws.
3. The client is the party or parties who engage an appraiser (by employment contract) in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment.
4. Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without the written consent and approval of the appraiser, nor shall their identity be identified without their individual prior written consent.
5. The appraiser has noted in this appraisal report any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions, and makes no guarantees or warranties express or implied. The appraiser will not be responsible for any such conditions that do exist, or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser is not aware of the presence of archaeological deposits and/or artifacts within the subject or in adjacent properties. The physical inspection of the property did not reveal any evidence of such deposits and/or artifacts. However, the appraiser is not qualified to detect archeological deposits and/or artifacts and assumes no responsibility in this respect. The value reported herein and the estimated construction and/or marketing time for the property are predicated on the assumption that the subject does not have any such archeological artifacts.
7. The appraiser reserves the right to change the reported conclusions if additional information comes forward as to condition or other factors which could affect the analysis and conclusions presented herein.
8. Any cause of action resulting between the appraiser and the client in conjunction with this appraisal, either directly or indirectly, will be limited in damages to the amount of the fee received for the assignment. Furthermore, it is agreed that the client will indemnify the appraiser, Mr. Pedro C. Navarro Acevedo, for any damages, costs, expenses, and attorney's fees resulting from any cause of action by any interested party, other than the client, concerning this appraisal.

CERTIFICATION OF THE APPRAISER

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have not performed any services as an appraiser, or in any other character, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional appraisal assistance in the preparation of this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I, **Pedro C. Navarro Acevedo**, have completed the requirements under the continuing education program of the Appraisal Institute.

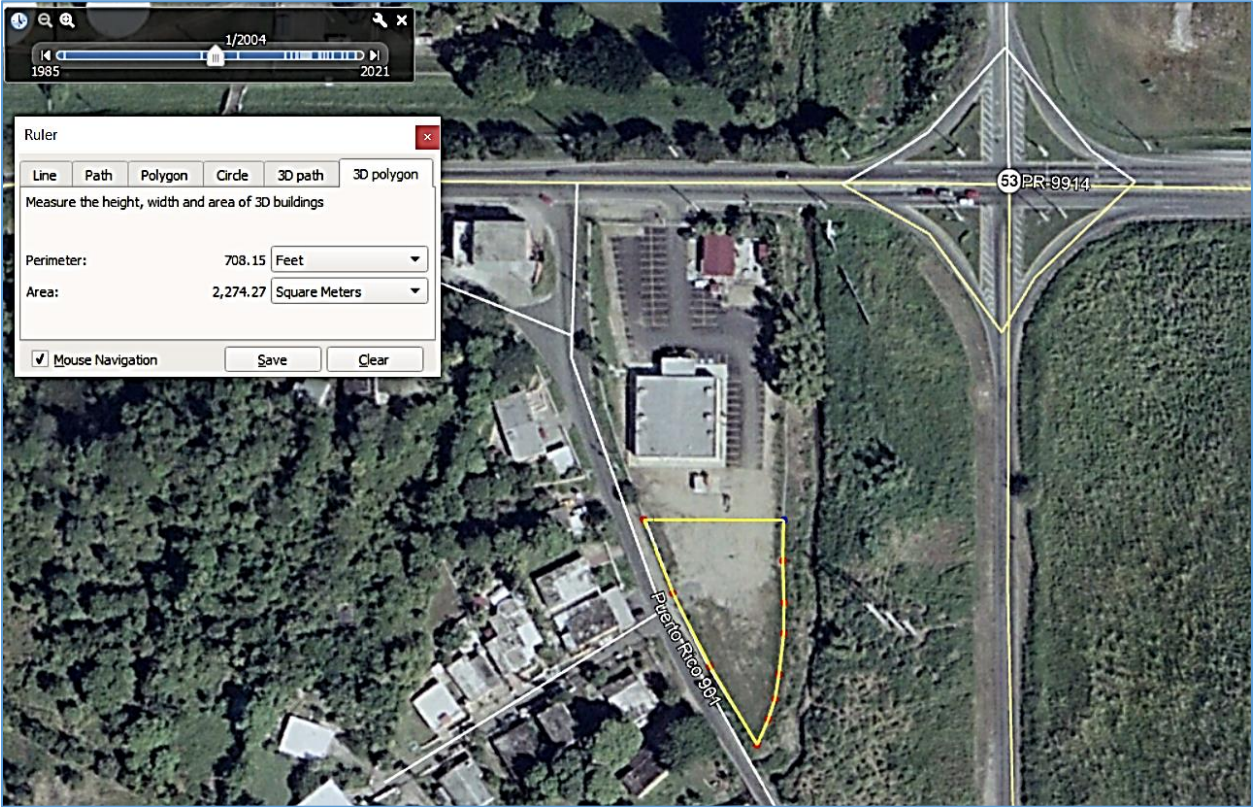


Pedro C. Navarro Acevedo, MAI
Certified General Real Estate Appraiser
Certificate No. 270 CG
PR License No. 1151 EPA

Signed on this June 14, 2021

ADDENDA

Aerial Measurement Exhibit of Excess Land Component



DEFINITIONS

Market Value¹

"The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

"As is" Market Value²

"The term "as is" market value is defined as: the estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date."

Real Estate¹

"An identified parcel or tract of land, including improvements, if any."

Real Property¹

"An interest or interests in real estate. The interests, benefits, and rights inherent in the ownership of real estate."

Fee Simple Estate¹

"Absolute ownership, unencumbered by any other interest or estate, subject only to the limitations by governmental powers of taxation, eminent domain, police power, and escheat."

Exposure Time³

"Estimated length of time that the property interest being appraised would have being offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market."

Intended Use³

"The use or uses of an appraiser's reported appraisal or appraisal review assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment."

Intended User³

"The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment."

Client³

"The party or parties who engage, by employment or contract, an appraiser in a specific assignment. The client may be an individual, group, or entity, and may engage and communicate with appraiser directly or through an agent."

Confidential Information⁴

"Information that is either: 1) identified by the client as confidential when providing it to an appraiser and that is not available from any other source, or 2) classified as confidential or private by applicable law or regulation."

¹ *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015).

² Interagency Appraisal and Evaluation Guidelines, OCC-2010-2012, OP-1338, DOT 2010-0018, RIN 3133-AD38.

³ *USPAP 2020-2021 Edition*

Qualifications of Appraiser

PEDRO C. NAVARRO ACEVEDO, MAI

Professional Qualifications

Phone: 787.368.3182 • Email: pcnaappraisal@gmail.com

LICENSE

Puerto Rico Licensed Professional Real Estate Appraiser, **EPA License No. 1151**

Puerto Rico Certified General Real Estate Appraiser, **Certificate No. 270**

Federal Government Work Qualified, **DUNS No. 080279256**

PROFESSIONAL AFFILIATIONS

MAI designated member (since 2010) – Appraisal Institute



OFFICES HELD

Appraisal Institute Puerto Rico and Caribbean Chapter –
Board of Directors 2012- 2014

EDUCATION

Bachelor in Business Administration 2004

METROPOLITAN UNIVERSITY OF PUERTO RICO

SAN JUAN, PUERTO RICO

MAJOR: INFORMATION SYSTEMS

QUALIFIED APPRAISER

Banco Popular de Puerto Rico

First Bank Puerto Rico

Cooperativa Manuel Zeno Gandía

US Department of Housing and Urban Development - FHA Approved Appraiser

PROFESSIONAL EXPERIENCE

Pedro C. Navarro Acevedo, MAI
Certified General Real Estate Appraiser

December 2010 – Present

Pedro C. Navarro Acevedo, MAI
Real and Personal Property
Damage Assessment Inspector

October 2017 – Present

Independent Real Estate Appraiser
In association with
McCloskey, Mulet & Bonnin Appraisers P.S.C.

October 2009 – March 31, 2019

Independent Real Estate Appraiser
In association with
ODV Appraisal Group P.S.C.

September 2005 – August 2009

Assistant Real Estate Appraiser
In association with
ODV Appraisal Group P.S.C.

May 1998 – September 2005

APPRAISAL WORK COMPETENCY (PUERTO RICO AND UNITED STATES VIRGIN ISLANDS)

Office Buildings, Retail Properties (single and multitenant occupancy), Industrial Properties (warehouse, manufacturing, etc.), Vacant Land (commercial, industrial, residential, agricultural, conservation, etc.), Residential Projects (single-family, multifamily, subsidized rental housing), Lodging (hotels, guesthouses, etc.), Service Stations and Special Purpose Properties (cemeteries, quarries, hospitals, ambulatory medical clinics, automobile dealerships, special-care homes for the elderly, etc.), etc.

DAMAGE ASSESSMENT WORK COMPETENCY (Puerto Rico)

Residential Dwellings, Residential Condominiums, Apartments, Residential Subdivisions (builders' risk), Commercial Establishments (i.e. retail stores, restaurants, offices, etc.), Automobile Dealerships, Branding Signage, Churches, Chapels, and Personal Property (i.e. furniture, appliances, carpets, etc.).

APPRAISAL NOTABLE ASSIGNMENTS

During my appraisal practice, I have been involved in the valuation of several complex properties including many automobile dealerships, as well as piers, fuel tank farms, cemeteries, quarries, hospitals, nursing-homes and many others. These experiences have required the resolution of complicated valuation problems to produce a reliable and high-quality product within the required delivery timeframe of the client. The listed properties below show a sample of my appraisal practice.

SPECIAL-PURPOSE PROPERTIES

Maritime Pier 1 (Fuels Dock), Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico
Maritime Pier 2, Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico
Maritime Pier 3, Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico
Fuel Tank Farm, Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico
Ceiba del Mar Dairy-Farm Portfolio, Hatillo
BMW Service Center, Guaynabo
Feasibility Study – Proposed MC Senior Community Assisted Living, Dorado, Puerto Rico
Ceiba del Mar Dairy-Farm Portfolio, Hatillo, Puerto Rico
UPR Comprehensive Cancer Center Hospital, San Juan, Puerto Rico ⁴
HIMA San Pablo Medical Ambulatory Center, Caguas, Puerto Rico ⁴
Feasibility Study – Proposed FAVISUS Assisted Living, Hatillo, Puerto Rico ⁴
EVERTEC / Banco Popular Cupey Center, San Juan, Puerto Rico ⁴
Central Memorial Group Cemetery Portfolio, Puerto Rico ⁴
Bella Group Automobile Dealership Portfolio, Puerto Rico ⁴

INDUSTRIAL

SSW Realty (Structural Steel Works) Manufacturing Facility, Luchetti Industrial, Bayamón
Barceloneta Business Park, Barceloneta
Cesar Castillo Warehouse/Distribution Centers, Guaynabo and San Juan, Puerto Rico
AOR Building, Santurce, San Juan, Puerto Rico ⁴
GIB (Me Salve) Headquarters and Warehouse/Distribution Center, Cataño, Puerto Rico ⁴

RESIDENTIAL

Mansiones Residential Subdivision, Cabo Rojo, Puerto Rico⁴
Mansión del Lago Residential Subdivision, Ponce, Puerto Rico⁴
Santa María Residential Condominium, San Juan, Puerto Rico⁴
El Almendro Residential Condominium, Punta Las Marías, San Juan, Puerto Rico⁴

⁴ Appraisal work performed in association with McCloskey, Mulet & Bonnin Appraisers P.S.C.

McCormack Baron Salazar - Puerta de Tierra Low-Income Housing Project, San Juan, Puerto Rico ⁵
McCormack Baron Salazar - Las Gladiolas Low-Income Housing Project, San Juan, Puerto Rico ⁵
Esmeralda del Sur Low-Income Housing Project, Patillas, Puerto Rico ⁵

COMERCIAL

Plaza del Mar Shopping Center, Hatillo, Puerto Rico
Lago Alto Plaza Shopping Center
Prudencio Rivera Office Building, San Juan, Puerto Rico
(P.R. Labor and Human Resources Department HQ)
La Parrilla Argentina Proposed Store (Leasehold Interest), Bayamón
Gatsby Plaza, Caguas, Puerto Rico ⁵

DAMAGE ASSESSMENT NOTABLE ASSIGNMENTS

In my practice, I have been involved in several complex assignments for the assessment of damages including Motorambar (NISSAN & Kia) dealership portfolio branding, Barranquitas Memorial Funeral Home, Pisos de Caparra Residential Condominium, Casa Jeanette Beach Front Villa; plus, the parishes and chapels of the Catholic Church Fajardo-Humacao Diocese and Caguas Diocese which included several historic buildings, and many of the church buildings of the Puerto Rico Baptist Church; as well as many residential dwellings and small commercial, office and service facilities.

⁵ Appraisal work performed in association with McCloskey, Mulet & Bonnin Appraisers P.S.C.